

Message Text

LIMITED OFFICIAL USE

PAGE 01 WARSAW 07246 071002Z

20

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 EB-07 FRB-01 INR-05

NSAE-00 RSC-01 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-01 CEA-01 INT-05

EA-06 ABF-01 PA-01 PRS-01 USIA-06 /088 W

----- 119448

R 070903Z DEC 74

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC 2489

INFO USDOC WASHDC

AMEMBASSY BELGRADE

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY MOSCOW

AMEMBASSY PRAGUE

AMEMBASSY SOFIA

LIMITED OFFICIAL USE WARSAW 7246

E.O. 11652: N/A

TAGS: ETRD, EGEN, PL

SUBJECT: POLISH TRADE AFTER THREE QUARTERS OF 1974

1. SUMMARY : OFFICIAL POLISH FIGURES FOR THE FIRST THREE
QUARTERS OF 1974 SHOW THAT POLAND'S FOREIGN-TRADE DEFICIT
WAS 58 PERCENT GREATER THIS YEAR THAN AFTER THREE QUARTERS
FO 1973. FOR THE FIRST NINE MONTHS OF 1974, THE DEFICIT
STOOD AT 5.2 BILLION FOREIGN-EXCHANGE ZLOTYS (\$1.57 BILLION).
END SUMMARY.

2. GROWTH IN IMPORTS FROM HARD-CURRENCY AREAS CONTINUES
OUTSTRIP INCREASES IN EXPORT SALES. POLAND'S NEGATIVE
BALANCE WITH THE U.S., WHICH WAS APPROXIMATELY \$65
MILLION (POLISH FIGURES) AT THE END OF THIRD
QUARTER OF 1973, AMOUNTED TO \$146 MILLION OVER THE SAME
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 WARSAW 07246 071002Z

PERIOD THIS YEAR, AN INCREASE OF 125 PERCENT. THE NINE-

MONTH DEFICIT WITH THE EEC, \$959.2. MILLION, IS 117 PERCENT ABOVE LAST YEAR'S DEFICIT FOR THE IDENTICAL PERIOD. WEST GERMANY, WHOSE EXPORTS HAVE SOARED FROM \$573.8 MILLION (JANUARY THROUGH SEPTEMBER 1973) TO \$913 MILLION (JANUARY THROUGH SEPTEMBER 1974), ACCOUNTS FOR 56 PERCENT OF THE POLISH DEFICIT WITH THE EUROPEAN COMMUNITY. (GERMAN FIGURES SHOW A MUCH LOWER RATE OF GROWTH IN EXPORTS TO POLAND.) POLAND'S COMBINED DEFICIT WITH THE EEC, THE U.S. AND JAPAN FOR THE FIRST THREE QUARTERS OF 1974 IS \$1.2 BILLION, OR APPROXIMATELY 78 PERCENT OF ITS TOTAL TRADE DEFICIT.

3. GOVERNMENT STATISTICS SHOW AN IMPROVEMENT IN POLAND'S FOREIGN-TRADE POSITION WITH NEARLY ALL OF ITS CMEA PARTNERS EXCEPT THE USSR. WHILE THE POLES MAINTAINED A POSITIVE BALANCE IN CMEA OF 129.1 MILLION FOREIGN-EXCHANGE ZLOTYS OVER THIS PERIOD, THEIR SURPLUS WITH THE USSR FELL FROM 929.6 MILLION FOREIGN-EXCHANGE ZLOTYS FOR THE FIRST THREE QUARTERS OF 1973 TO 231.7 MILLION OVER THE SAME PERIOD THIS YEAR. FROM JANUARY THROUGH SEPTEMBER 1974, CMEA ACCOUNTED FOR 42 PERCENT (BY VALUE) OF POLISH TOTAL IMPORTS AND RECEIVED 54 PERCENT OF POLAND'S EXPORTS. THESE PROPORTIONS ARE UNDERSTATED BECAUSE OF CMEA'S RELATIVE PRICE STABILITY AT A TIME OF RAPIDLY INCREASING PRICES IN POLAND'S HARD CURRENCY TRADE.

4. COMMENT: THE PLAN FOR 1974 CALLED FOR AN INCREASE OF 18.9 PERCENT IN THE VALUE OF TOTAL EXPORTS TO 25.3 BILLION FOREIGN-EXCHANGE ZLOTYS. OVER NINE MONTHS OF 1974, THE POLES HAVE BETTERED THE PLAN GOAL BY 7.1 PERCENT. A SIGNIFICANT PART OF THIS INCREASE UNDOUBTEDLY RESULTS FROM PRICE RISES. WE UNDERSTAND POLAND HAS SUCCESSFULLY DEMANDED COAL-PRICE INCREASES, ON CONTRACTS ALREADY CONCLUDED, OF 100 PERCENT FROM SOME SCANDINAVIAN IMPORTERS AND UP TO 30 PERCENT FROM THE JAPANESE. POLISH COAL EXPORTS THUS FAR IN 1974 ARE 15 PERCENT (BY VOLUME) AHEAD OF SALES FOR THE ANALOGOUS PERIOD OF 1973.

5. EARNINGS FROM POLISH SHIPPING AND INSURANCE SERVICES ARE NOT INCLUDED IN THESE TOTALS, NOR IS INCOME FROM REMITTANCES. POLISH OFFICIALS HAVE ESTIMATED HARD-CURRENCY REMIT-LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 WARSAW 07246 071002Z

TANCES AT APPROXIMATELY \$10 MILLION ANNUALLY.

6. POLISH IMPORTS, WHICH ACCORDING TO THE 1974 PLAN WERE "NOT TO EXCEED" 30.5 BILLION FOREIGN-EXCHANGE ZLOTY, AN INCREASE OF APPROXIMATELY 17 PERCENT, ARE OUTDISTANCING 1973 PURCHASES BY 40 PERCENT. HIGHER WORLD PRICES ACCOUNT FOR PART OF THIS TOTAL, BUT THE FACT REMAINS THAT CENTRAL PLANNERS HAVE NOT YET BEEN SUCCESSFUL IN MOVING POLISH

FOREIGN TRADE TOWARD BALANCE. END COMMENT.
DAVIES

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 07 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974WARSAW07246
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740356-0116
From: WARSAW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741251/aaaabrze.tel
Line Count: 117
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 21 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <21 MAY 2002 by elyme>; APPROVED <09 JUL 2002 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: POLISH TRADE AFTER THREE QUARTERS OF 1974
TAGS: ETRD, EGEN, PL
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005